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FM AMEMBASSY BANGKOK

TO RUEHC/SECSTATE WASHDC IMMEDIATE 6036

INFO RUCPDOC/DEPT OF COMMERCE WASHDC IMMEDIATE

RUEHRC/DEPT OF AGRICULTURE WASHINGTON DC IMMEDIATE

RUEATRS/DEPT OF TREASURY WASHINGTON DC IMMEDIATE

RUEHZS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS IMMEDIATE

RUEHCHI/AMCONSUL CHIANG MAI IMMEDIATE 6174

UNCLAS SECTION 01 OF 02 BANGKOK 000379

STATE FOR EAP/MLS, EEB
STATE PASS TO USTR FOR WEISEL AND BISBEE
TREASURY FOR CHUN AND NUGENT
COMMERCE FOR EAP/MAC/OKSA
COMMERCE PASS TO USPTO
SINGAPORE FOR FINATT BAKER

SENSITIVE
SIPDIS

E.O. 12958:N/A

TAGS: ECON EINV ETRD KIPR PGOV TH

SUBJECT: NEW THAI GOVERNMENT MAKES RIGHT MOVES ON IPR PROTECTION

REF: A. BANGKOK 163 (ECONOMIC CHALLENGES)

IB. 08 BANGKOK 3774 (NEW COMMERCE MINISTER)

IC. 08 BANGKOK 3746 (NEW ECONOMIC TEAM)

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I1. (SBU) SUMMARY: Prime Minister Abhisit Vejjajiva has instructed his Cabinet to do whatever it takes to improve Thailand's intellectual property rights (IPR) record and to do so immediately. The last few weeks have been filled with high level government meetings, involving the Prime Minister himself, with industry contacts, trade officials, and law enforcement officers, mandating urgent actions by the government's law enforcement agencies to reduce the piracy rates in Thailand. On February 10, Deputy Commerce Minister Alongkorn Ponlaboot, who has become the government's point person on intellectual property issues, announced that the government will use its investigative resources to root out corrupt police officers and other government officials who are on the take from IPR criminals. Alongkorn plans to travel to Washington in March to, among other things, encourage the US Trade Representative and other USG agencies to consider removing Thailand from the Special 301 Priority Watch List. END SUMMARY.

I2. (SBU) Comment: What we have seen so far in the new government's anti-piracy efforts is just what we would expect if Thailand has embarked on a fundamental and significant improvement in respecting intellectual property rights. The personal and public involvement of the Prime Minister is especially noteworthy. However, there have been flurries of IP enforcement activities in the past, usually shortly before the annual Special 301 review process concludes, that have amounted to little more than a flash in the pan. As the Ambassador told the Commerce Minister and the press on February 11, the new government "is off to a great start," but an improvement in our views of the IP situation in Thailand will depend on whether the current efforts continue. The Ambassador also sought to dampen expectations that the positive events of the past few weeks will remove Thailand from the Priority Watch List this spring, pointing out that our views and industry comments will as a practical matter reflect the situation in Thailand for the year beginning last February, and most of that time the current government was not in power. End comment.

I3. (SBU) Shortly after taking office in December, Prime Minister Abhisit placed intellectual property protection on his government's national policy agenda and has since raised the importance of IPR regularly at numerous public events and reportedly at several internal government meetings. On February 2, Abhisit chaired a cabinet-level committee meeting to discuss his government's

strategies to improve IPR protection and how to better combat large-scale piracy and counterfeiting. The meeting included the Attorney General, the Commissioner-General of the Royal Thai Police, and the permanent secretaries of key ministries including Commerce, Public Health, Finance, Justice, and Culture. Abhisit asked Deputy Commerce Minister Alongkorn, as co-chair of this IPR committee, to organize the administration's IPR efforts and spearhead immediate enforcement activities.

¶4. (SBU) The police and customs departments have since reported 366 intellectual property cases for January 2009, seizing more than USD 4 million worth of pirated goods. Deputy Police Commissioner-General Boonruang Pholpanich told more than 50 senior police officers on February 6 that the government's IPR suppression operations, unlike previous ones, would be continuous without an end-date. Boonruang also tasked regional police divisions to provide progress reports to his office on their IPR efforts biweekly.

¶5. (SBU) As an example, on January 30, officers from the Royal Thai Police's Central Investigation Bureau raided a large-scale disc piracy operation in Nonthaburi, a metropolitan Bangkok suburb only a few miles from the Ministry of Commerce. More than 3,000 pirated burned discs, 7,200 blank discs, and 80,000 disc inserts were seized along with 49 disc burning towers, capable of producing more than 10 discs at a time. The police also confiscated the lists of the operation's customers and all of their accounting books. Deputy Minister of Commerce Alongkorn traveled to the raid site shortly after the police arrived and lured large numbers of media to the scene to report on the successful operation. Three offenders were arrested, charged, and plead guilty to manufacturing pirated products. Two others were arrested on bribery charges after allegedly offering the officer-in-charge 100,000 Baht (about USD 2800) to release the offenders and drop the charges. The head of the local police station was also removed from duty and placed under disciplinary review, after the national police who conducted the

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operation reported him for negligence for his disregard of the pirated activities within his own district.

¶6. (SBU) The government's IPR enforcement efforts have also turned inwards, focusing on corrupt officials in the government ranks. On February 10, Deputy Commerce Minister Alongkorn announced a list of 41 police officers, whom the Commerce Ministry has accused of violating copyright and trademark rights themselves and/or supporting criminal IPR activities. Alongkorn forwarded the list of "rogue officials" to Prime Minister Abhisit Vejjajiva and Deputy Prime Minister Suthep Thaugsuban, who oversees police and criminal justice matters in the Cabinet. Alongkorn asked the police's internal affairs division to immediately review the activities of these 41 officers and promised that he would continue to forward the names of more corrupt officials responsible for IPR violations.

JOHN